

13 January 1960

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SUBJECT: Memorandum of Conversation between [REDACTED]
25X1A5a1 [REDACTED]
25X1A5a1 [REDACTED] and the Director, Central Intelligence

25X1A5a1 1. [REDACTED] called the Director about 1645 hours on 13 January to give him some information on Cuba.

2. President of the National Bank of Cuba, Che Guevara, said Cuba would soon take over the iron and steel industry, the mining industry, the alcohol distilleries and the petroleum industry. Cuba is to build a petroleum refinery at Las Villas with a capacity of 22,000 barrels per day.

3. Nicaro, the United States Government-owned nickel producing mines, will be permitted to ship out its ore during the next three months during which the Cuban Government will attempt to negotiate the purchase of Nicaro. Nicaro will not have to pay the large export tax of 25%--as decreed for the mining industry--but will have to pay the normal 8% production tax.

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25X1A5a1 4. [REDACTED] made the following statements on the position of industry in Cuba:

- a. Industrial Hell--the government just takes over.
- b. Industrial Purgatory--the government moves in and "supervises and fiscalizes" the firm.
- c. Industrial Heaven--the owner is still in control but the government gives financial and other assistance to the industry. 25X1X8

25X1A5a1 5. [REDACTED] said that we should expect a bombshell before the end of the month--a startling development which is supposed to end Cuba's tight dollar reserve problems. This would come from a country "outside the United States' bloc," presumably the Soviet Union.

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6. The Director thanked [REDACTED] for the call, and asked that [REDACTED] send a letter to the Director via mail to 2430 E St.

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